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Reinventing the Contras

The U.S. chooses
a new leader and
a new strategy

Five years ago the Nicaraguan contra movement was more or less invented by the Reagan administration. Washington's brainchild turned out to be something like Frankenstein's monster—an unruly creature that raised a lot of ruckus without accomplishing much, except to get its maker in trouble. Now the contras seem to be running out of vital energy. Militarily, they have achieved little, apart from an unenviable reputation for committing atrocities. Politically, they have lost the edge that persuaded Congress to vote them \$100 million in aid last year. With the Iran-contra scandal closing in on the Reagan White House, the Nicaraguan rebels are under more pressure than ever. Last week, in an effort to salvage the anticommunist insurgency, the administration tried to reinvent the contras.

Faced with a new rupture in the rebel leadership, Washington engineered the resignation of the most powerful contra warlord, Adolfo Calero, from the three-man directorate of the United Nicaraguan

Opposition (UNO). Then it persuaded another, more liberal member of the triumvirate, Arturo Cruz, to stay on board. By switching its support from Calero to Cruz, Washington seemed to signal that the contras' singleminded pursuit of military victory would be replaced by something like a two-track policy, with attention also given to the search for a political solution. The change of strategy was designed by President Reagan's new national-security adviser, Frank Carlucci, and by Assistant Secre-

tary of State Elliott Abrams, previously an advocate of the hard-line approach (box). But the new look pleased almost no one in Washington.

Conservatives accused the administration of deserting the contras just as they were launching a crucial new offensive deep inside Nicaragua. Republican Sen. Jesse Helms called Calero "the only person within UNO who truly represents the freedom fighters. The others are subservient to the State Department. They are trying to orchestrate negotiations which will leave the communists in control in Nicaragua." Liberals charged that the switch from Ca-

lero to Cruz was only an excuse to extract more money from Congress. They also suspected that Calero and his followers—including most of the 12,000 or so rebel fighting men—would break their promise to respect the civilian leadership. Democratic Sen. Christopher Dodd concluded: "This shake-up proves two things: one, the situation is a mess; two, this is not what you'd call an indigenous uprising when you pick rebel leaders in the State Department."

Agency man: Carlucci, who visited Central America last month, played a central role in the switch to Cruz. Under the previous management, members of the National Security Council staff, such as Lt. Col. Oliver North, favored military action by the contras. This aligned the NSC with the CIA against State Department officials pushing for negotiations. The CIA felt comfort-

able with Calero. "They know where he stands," said Robert Leiken, a senior associate for Latin America at the Carnegie Endowment in Washington. "He takes orders." But Calero's troops were performing badly, and even the CIA had to acknowledge that he had become a liability in Congress. When Cruz threatened to resign from the UNO leadership, Carlucci and Abrams decided to drop Calero.

In one meeting with Calero, sources said, Abrams argued that Cruz was "essential" to continued U.S. support of the contras. Eventually Calero called a press conference and resigned from the UNO leadership "for the sake of unity." But he said he would stay on as head of the Nicaraguan Democratic Force (FDN), the main rebel army. According to one contra source, Calero "felt betrayed by his friends at the CIA, who say the policy has changed." U.S. officials arranged for Col. Enrique Bermúdez, the FDN top military commander who once served the Somoza dictatorship, to send Cruz a telegram promising his support. The text of the message wasn't published, but it apparently fell short of a solid endorsement.

Credibility gap: Cruz, a respected banker and former member of the Sandinista junta that rules Nicaragua, wants to reform the contras by expanding the UNO directorate and establishing civilian control over the FDN troops. "We are not talking about dissolving FDN but integrating it into UNO," said Alfonso Robelo, the third member of the triumvirate, who agreed to stay on in support of Cruz. Both men want to search for a political solution to the Nicaraguan conflict. "We have no political program and no political faith, and that's why we lack credibility," Cruz complained.

Unfortunately, Cruz himself has credibility problems. He is notoriously indecisive, frequently starting things he never finishes. Some Nicaraguans refer to him as El Casi (The Almost). Under his leadership, the UNO, which was created by the State Department only in June 1985, will have trouble asserting its authority over the military. "The FDN is doing all the fighting," said a Western diplomat in Tegucigalpa, the Honduran capital, "and they don't like these lily-livered left-wingers messing with their affairs." Cruz also will have to live down the stigma of having been in the pay of Oliver North. Last week he confirmed that North had given him \$7,000 a month for most of last year, although he said he had no idea where North got the cash. "I paid taxes on this money and reported it fully to both other officials of the UNO and to the FBI," Cruz told The New York Times. "I have nothing to hide in this."

While the political bickering went on, rebel guerrillas were slipping into Nicaragua from their Honduran base camps at the rate of a few hundred a week. One unit blew up an electrical tower early last week, while another attacked an agricultural cooperative. Most of the contras avoided contact as they infiltrated toward the interior, planning to attack roads, convoys and other targets in March or April, when their forces should be deployed. Contra sources said there would be no effort to seize territory, but fighting in urban areas could begin in six months. The contras will try to prove themselves before Congress takes up the administration's next aid request, probably in the fall. The next few months will be do-or-die time as far as Congress and the rebels' Honduran hosts are concerned. Honduras would prefer that the contras not return at all to their base camps. In case the Sandinistas chase the rebels out, the Hondurans are considering a plan to relocate the camps from the convenient Las Vegas border salient to distant Olancho province. "The contras can spend 20 years there and no one would know," said a European diplomat in Tegucigalpa.

Faint signs: As Cruz took over, there were a few faint signs of movement on the diplomatic front. The Sandinistas accepted an invitation to attend a regional summit meeting next spring. The invitation, which excluded the contras, came from the presidents of Costa Rica, El Salvador, Honduras and Guatemala. Those leaders failed to agree on a peace plan proposed by Costa Rica's influential president, Oscar Arias, who called for a cease-fire, talks about democratization in Nicaragua and a prohibition on U.S. aid to the contras. Although the Reagan administration opposes any settlement that leaves the Sandinistas in control, the Arias plan has attracted interest from some congressional Democrats and Cruz has publicly endorsed similar ideas.

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So far the administration and the Democratic Congress are at a standoff over the contras. Last week the Senate Foreign Relations Committee voted 11 to 9 to hold up the unpaid portion of the \$100 million in aid voted last year. The funds, currently about \$40 million, would be cut off if the measure became law, but this time Reagan seems to have enough votes to sustain a veto. The Democrats were considering another ploy that would tie contra aid to full disclosure by the administration of all previous assistance, including private contributions and money diverted from Iranian arms sales. Reagan probably has the votes to fend off that maneuver as well. But unless Cruz proves to be decisive, and unless the rebels score some unexpected triumphs on the battlefield, the administration will have a hard time persuading Congress to vote all of the \$105 million that it wants to spend on the contra crusade next year.

RUSSELL WATSON with DAVID NEWELL
in Washington. JOSEPH CONTRERAS
in Tegucigalpa and bureau reports

Some Trouble for an Ideologue

Elliott Abrams would be the first to admit: he is a man with causes, and contra aid has for some time been one of the causes that matter most to him. A committed neoconservative, smart, tough, ambitious and thoroughly partisan, he played a crucial part last summer in persuading Congress to resume military aid to the Nicaraguan rebels. Last week the contras were again in trouble—fighting among themselves and under fire on the Hill—and Abrams was again on hand to spearhead their defense. But this time the young assistant secretary of state for inter-American affairs, who is accustomed to winning, may well lose.

The furor over the Iran affair has meant trouble for the contras, inviting scrutiny of their finances and sharpening doubts about the U.S. stake in their war. Contra supporters William Casey, Pat Buchanan and Oliver North have also dropped from the picture. But Abrams remains undaunted and the State Department's fingerprints were all over the rebel shake-up. True to form, Abrams was both out front and behind the scenes, both making the news happen and selling the program to Congress. Critics saw this maneuvering as a desperate ploy; supporters saw it as a brilliant offensive defense. It was an open question whether it would work.

One major problem for Abrams is that he, too, has lost credibility in the Iran-contra affair. While he maintains that he knew nothing about the Teheran connection,

he has been mentioned by the Senate Intelligence Committee in connection with the administration's legally questionable efforts to facilitate private aid for the contras. He also helped obtain from the sultan of Brunei \$10 million in "humanitarian" contra aid to be deposited in a Swiss bank account—money the State Department subsequently lost track of. Abrams said he does not know how or why the money was lost; he also said, "I never take decisions alone . . . We took no secret actions." The Senate Intelligence Committee maintained that his testimony "clearly left a misleading impression" about his knowledge of third-country funding, and when asked about such aid he initially did not reveal the approach to Brunei. The committee's former chairman, Republican Sen. Dave Durenberger, cracked: "I wouldn't trust Elliott Abrams any further than I could throw Oliver North."

Hardball approach: A combative ideological style has won Abrams both friends and enemies. As one senior State Department official put it, "Elliott is a very, very determined, highly ideological person. But after all, he's trying to run a program and make it succeed." A friend and fellow neoconservative put it another way: "Elliott does not value his place in polite society as much as he cares about [the] issue [of the contras]." When Reagan and Reaganism were in the ascendancy, Abrams's hardball approach was effective. Now, however, the cli-

mate in Washington is changing. Apart from the Iran scandal, the Republicans have lost control of the Senate. And while the administration still values Abrams's tenacity, some colleagues in the State Department are beginning to complain about his style.

Two weeks ago Francis J. McNeil resigned from the department's second-ranking intelligence job charging Abrams with "McCarthyism." By McNeil's account, he had been targeted for investigation because his intelligence analyses were incompatible with Abrams's political judgments. State Department spokesman Greg Lagano flatly denied the charges and said the investigation was in fact a search for leaks. For his part, Abrams tried to joke the matter away: "McNeil is a wonderful guy, but I like Lehrer better." It sounded good, but the controversy was a measure of Abrams's growing difficulties.

TAMAR JACOBY with DAVID
NEWELL in Washington



ARTHUR GRACE—NEWSWEEK
Man with a cause: Abrams